

PROPOSED CONFERENCE REPORT NO. 1
JUNE 29, 2000

AMENDED IN ASSEMBLY JULY 13, 1999

AMENDED IN ASSEMBLY JUNE 15, 1999

SENATE BILL

No. 1223

Introduced by Senator Burton

(Principal coauthor: Assembly Member Hertzberg)

(Coauthor: Senator McPherson)

February 26, 1999

~~An act to amend Section 84305.5 of the Government Code,~~
An act to amend Sections 82016, 82053, 84204, and 89510 of, to add Sections 84305.6, 84511, 85314, 85315, 85316, 85317, 85318, and 85319 to, to add Article 2.5 (commencing with Section 85202) to Chapter 5 of, to repeal Sections 84201 and 85313, and Article 2 (commencing with Section 85202) of Chapter 5 of, to repeal and add Sections 83116, 83116.5, 83124, 85301, 85302, 85303, 85304, 85305, 85306, 85307, 85308, 85309, 85310, 85311, 85312, 89519, 91000, 91004, 91005.5, and 91006 of, and to repeal and add Article 1 (commencing with Section 85100), Article 4 (commencing with Section 85400), Article 5 (commencing with Section 85500), Article 6 (commencing with Section 85600), and Article 7 (commencing with Section 85700) of Chapter 5 of Title 9 of, the Government Code, relating to the Political Reform Act of 1974 and calling a special election to be consolidated with the general election of November 7, 2000, to take effect immediately, as an act calling an election.

LEGISLATIVE COUNSEL'S DIGEST

SB 1223, as amended, Burton. ~~Slate mailers~~—Campaign contributions and expenditures.

The Political Reform Act of 1974 was amended by the adoption of Proposition 208, an initiative statute approved by the voters at the November 5, 1996, statewide general election. The amendments made by Proposition 208 to the Political Reform Act of 1974, among other things, established certain limits on the amount of campaign contributions that an individual or group can make to a candidate for state or local elective office, on the amount of loans a candidate may make to his or her campaign, and on voluntary campaign spending.

On January 6, 1998, a decision of a federal district court preliminarily enjoined the Fair Political Practices Commission from enforcing the amendments made by Proposition 208 to the Political Reform Act of 1974. On January 5, 1999, a federal appellate court affirmed the preliminary injunction and returned the matter to the district court to consider in a new trial the constitutionality of all aspects of the Proposition 208 amendments. That new trial is scheduled to begin on July 11, 2000.

This bill would, among other things, repeal certain amendments made by Proposition 208 and would reenact provisions that impose similar, but increased dollar amount limits on campaign contributions for elective state office, candidate loans, and voluntary campaign spending. This bill would also add provisions to the act that require certain disclosures in slate mailers, in paid political advertisements, and in certain issue advocacy communications; authorize intra-candidate transfers of campaign funds and restrict inter-candidate contributions; require the aggregation of certain contributions made by affiliated entities; expand online or electronic filing requirements with respect to the receipt of certain contributions and the making of certain independent expenditures; and prescribe the authorized use of surplus campaign funds. These new provisions, as to candidates for statewide elective office, would become operative on or after November 6, 2002. This bill would also make certain technical conforming changes.



~~Existing provisions of the Political Reform Act of 1974 provide that no slate mailer, as defined, shall be mailed unless, among other things, it identifies the slate mailer organization or ballot measure committee that is making the mailing in specified places on the mailer, it states that the mailer was not prepared by an official political party organization, it identifies the candidates who paid to appear in the mailer, it identifies the ballot measure committees who paid to have a ballot measure supported or opposed in the mailer and any person who made contributions to the ballot measure committee of \$50,000 or more during a specified period before the mailing, and it identifies the political party of candidates appearing in the mailer who are not from the same political party that the mailer appears to represent.~~

~~This bill would impose identical requirements on a slate mailer organization or committee formed primarily to support or oppose one or more candidates.~~

~~This bill would declare the intent of the Legislature that a slate mailer state, as to any recommendation in the slate mailer to support or oppose a ballot measure or to support a candidate that is different from the official recommendation to support or oppose by the political party that the mailer appears to represent, that the recommendation is not the official position of the political party that the mailer appears to represent. This bill would require that this information appear in the mailer in a specified location and in a specified type size.~~

~~Existing law makes a violation of the act subject to administrative, civil, and criminal penalties.~~

~~*The Political Reform Act of 1974, an initiative measure, provides that the act may be amended by a statute that becomes effective upon approval of the voters.*~~

~~*This measure would call a special statewide election to be consolidated with the statewide general election scheduled for November 7, 2000. It would provide for the submission to the voters of the provisions of this bill amending the Political Reform Act of 1974, as summarized above, at that election.*~~

~~*This bill would declare that it is to take effect immediately as an act calling an election.*~~

~~This bill would impose a state-mandated local program by imposing these criminal penalties on certain persons who violate the provisions of the bill.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

~~The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes with a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.~~

~~This bill would declare that it furthers the purposes of the act, would therefore require a $\frac{2}{3}$ vote.~~

Vote: $\frac{2}{3}$ majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. — Section 84305.5 of the Government~~

2 *SECTION 1. (a) The people find and declare all of*
3 *the following:*

4 *(1) Monetary contributions to political campaigns are*
5 *a legitimate form of participation in the American*
6 *political process, but large contributions may corrupt or*
7 *appear to corrupt candidates for elective office.*

8 *(2) Increasing costs of political campaigns have forced*
9 *many candidates to devote a substantial portion of their*
10 *time to raising campaign contributions and less time to*
11 *public policy.*

12 *(3) Political parties play an important role in the*
13 *American political process and help insulate candidates*
14 *from the potential corrupting influence of large*
15 *contributions.*

16 *(b) The people enact the Campaign Contribution and*
17 *Voluntary Expenditure Limits Without Taxpayer*
18 *Financing Amendments to the Political Reform Act of*
19 *1974 to accomplish all of the following purposes:*

1 (1) To ensure that individuals and interest groups in
2 our society have a fair and equitable opportunity to
3 participate in the elective and governmental processes.

4 (2) To minimize the potentially corrupting influence
5 and appearance of corruption caused by large
6 contributions by providing reasonable contribution and
7 voluntary expenditure limits.

8 (3) To reduce the influence of large contributors with
9 an interest in matters before state government by
10 prohibiting lobbyist contributions.

11 (4) To provide voluntary expenditure limits so that
12 candidates and officeholders can spend a lesser
13 proportion of their time on fundraising and a greater
14 proportion of their time conducting public policy.

15 (5) To increase public information regarding
16 campaign contributions and expenditures.

17 (6) To enact increased penalties to deter persons from
18 violating the Political Reform Act of 1974.

19 (7) To strengthen the role of political parties in
20 financing political campaigns by means of reasonable
21 limits on contributions to political party committees and
22 by limiting restrictions on contributions to, and
23 expenditures on behalf of, party candidates, to a full,
24 complete, and timely disclosure to the public.

25 SEC. 2. Section 82016 of the Government Code is
26 amended to read:

27 82016. (a) “Controlled committee” means a
28 committee ~~which~~ that is controlled directly or indirectly
29 by a candidate or state measure proponent or ~~which~~ that
30 acts jointly with a candidate, controlled committee, or
31 state measure proponent in connection with the making
32 of expenditures. A candidate or state measure proponent
33 controls a committee if he or she, his or her agent, or any
34 other committee he or she controls has a significant
35 influence on the actions or decisions of the committee.

36 (b) Notwithstanding subdivision (a), a political party
37 committee, as defined in Section 85205, is not a controlled
38 committee.

39 SEC. 3. Section 82053 of the Government Code is
40 amended to read:

1 82053. “Statewide elective office” means the office of
2 Governor, Lieutenant Governor, Attorney General,
3 Insurance Commissioner, Controller, Secretary of State,
4 Treasurer, and Superintendent of Public Instruction and
5 member of the State Board of Equalization.

6 SEC. 4. Section 83116 of the Government Code, as
7 added by Proposition 9 at the June 4, 1974, statewide
8 primary election, is repealed.

9 ~~83116. When the Commission determines there is~~
10 ~~probable cause for believing this title has been violated,~~
11 ~~it may hold a hearing to determine if such a violation has~~
12 ~~occurred. Notice shall be given and the hearing~~
13 ~~conducted in accordance with the Administrative~~
14 ~~Procedure Act (Government Code, Title 2, Division 3,~~
15 ~~Part 1, Chapter 5, Sections 11500 et seq.). The~~
16 ~~Commission shall have all the powers granted by that~~
17 ~~chapter.~~

18 ~~When the Commission determines on the basis of the~~
19 ~~hearing that a violation has occurred, it shall issue an~~
20 ~~order which may require the violator to:~~

- 21 ~~(a) Cease and desist violation of this title;~~
22 ~~(b) File any reports, statements or other documents or~~
23 ~~information required by this title;~~
24 ~~(c) Pay a monetary penalty of up to two thousand~~
25 ~~dollars (\$2,000) to the General Fund of the state.~~

26 ~~When the Commission determines that no violation has~~
27 ~~occurred, it shall publish a declaration so stating.~~

28 SEC. 5. Section 83116 of the Government Code, as
29 amended by Proposition 208 at the November 5, 1996,
30 statewide general election, is repealed.

31 ~~83116. When the Commission determines there is~~
32 ~~probable cause for believing this title has been violated,~~
33 ~~it may hold a hearing to determine if such a violation has~~
34 ~~occurred. Notice shall be given and the hearing~~
35 ~~conducted in accordance with the Administrative~~
36 ~~Procedure Act (Government Code, Title 2, Division 3,~~
37 ~~Part 1, Chapter 5, Sections 11500 et seq.). The~~
38 ~~Commission shall have all the powers granted by that~~
39 ~~chapter. When the Commission determines on the basis~~

~~of the hearing that a violation has occurred, it shall issue an order which may require the violator to:~~

~~(a) Cease and desist violation of this title;~~

~~(b) File any reports, statements or other documents or information required by this title;~~

~~(c) Pay a monetary penalty of up to five thousand dollars (\$5,000) per violation to the General Fund of the state. When the Commission determines that no violation has occurred, it shall publish a declaration so stating.~~

SEC. 6. Section 83116 is added to the Government Code, to read:

83116. When the commission determines there is probable cause for believing this title has been violated, it may hold a hearing to determine if a violation has occurred. Notice shall be given and the hearing conducted in accordance with the Administrative Procedure Act (Chapter 5 (commencing with Section 11500), Part 1, Division 3, Title 2, Government Code). The commission shall have all the powers granted by that chapter. When the commission determines on the basis of the hearing that a violation has occurred, it shall issue an order that may require the violator to do all or any of the following:

(a) Cease and desist violation of this title.

(b) File any reports, statements, or other documents or information required by this title.

(c) Pay a monetary penalty of up to five thousand dollars (\$5,000) per violation to the General Fund of the state. When the Commission determines that no violation has occurred, it shall publish a declaration so stating.

SEC. 7. Section 83116.5 of the Government Code, as added by Chapter 670 of the Statutes of 1984, is repealed.

~~83116.5. Any person who violates any provision of this title, who purposely or negligently causes any other person to violate any provision of this title, or who aids and abets any other person in the violation of any provision of this title, shall be liable under the provisions of this chapter. Provided, however, that this section shall apply only to persons who have filing or reporting obligations under this title, or who are compensated for~~

~~services involving the planning, organizing, or directing any activity regulated or required by this title, and that a violation of this section shall not constitute an additional violation under Chapter 11.~~

SEC. 8. Section 83116.5 of the Government Code, as amended by Proposition 208 at the November 5, 1996, statewide general election, is repealed.

~~83116.5. Any person who violates any provision of this title, who purposely or negligently causes any other person to violate any provision of this title, or who aids and abets any other person in the violation of any provision of this title, shall be liable under the provisions of this chapter and Chapter 11 (commencing with Section 91000).~~

SEC. 9. Section 83116.5 is added to the Government Code, to read:

83116.5. Any person who violates any provision of this title, who purposely or negligently causes any other person to violate any provision of this title, or who aids and abets any other person in the violation of any provision of this title, shall be liable under the provisions of this chapter. However, this section shall apply only to persons who have filing or reporting obligations under this title, or who are compensated for services involving the planning, organizing, or directing any activity regulated or required by this title, and a violation of this section shall not constitute an additional violation under Chapter 11 (commencing with Section 91000).

SEC. 10. Section 83124 of the Government Code, as added by Proposition 208 at the November 5, 1996, statewide general election, is repealed.

~~83124. The commission shall adjust the contribution limitations and expenditure limitations provisions in Sections 85100 et seq. in January of every even-numbered year to reflect any increase or decrease in the California Consumer Price Index. Such adjustments shall be rounded to the nearest 50 for the limitations on contributions and the nearest 1,000 for the limitations on expenditures.~~

1 SEC. 11. Section 83124 is added to the Government
2 Code, to read:

3 83124. The commission shall adjust the contribution
4 limitations and voluntary expenditure limitations
5 provisions in Sections 85301, 85302, 85303, and 85400 in
6 January of every odd-numbered year to reflect any
7 increase or decrease in the Consumer Price Index. Those
8 adjustments shall be rounded to the nearest one hundred
9 dollars (\$100) for limitations on contributions and one
10 thousand dollars (\$1,000) for limitations on expenditures.

11 SEC. 12. Section 84201 of the Government Code, as
12 added by Proposition 208 at the November 5, 1996,
13 statewide general election, is repealed.

14 ~~84201. The threshold for contributions and~~
15 ~~expenditures reported in the campaign statements~~
16 ~~designated in Sections 84203.5, 84211, and 84219, except~~
17 ~~for subdivision (i) of Section 84219, and for cash~~
18 ~~contributions and anonymous contributions designated~~
19 ~~in Sections 84300 and 84304, shall be set at no more than~~
20 ~~one hundred dollars (\$100) notwithstanding any other~~
21 ~~provision of law or any legislative amendment to such~~
22 ~~sections.~~

23 SEC. 13. Section 84204 of the Government Code is
24 amended to read:

25 84204. (a) A candidate or committee that makes a
26 late independent expenditure, as defined in Section
27 82036.5, shall report the late independent expenditure by
28 facsimile transmission, telegram, guaranteed overnight
29 mail through the United States Postal Service or personal
30 delivery within 24 hours of the time it is made. A late
31 independent expenditure shall be reported on
32 subsequent campaign statements without regard to
33 reports filed pursuant to this section.

34 (b) A candidate or committee that makes a late
35 independent expenditure shall report its full name and
36 street address, as well as the name, office, and district of
37 the candidate if the report is related to a candidate, or if
38 the report is related to a measure, the number or letter
39 of the measure, the jurisdiction in which the measure is
40 to be voted upon, and the amount and the date, as well

1 as a description of goods or services for which the late
2 independent expenditure was made. *In addition to the*
3 *information required by this subdivision, a committee*
4 *that makes a late independent expenditure shall include*
5 *with its late independent expenditure report the*
6 *information required by paragraphs (1) to (5), inclusive,*
7 *of subdivision (f) of Section 84211, covering the period*
8 *from the day after the closing date of the last campaign*
9 *report filed to the date of the late independent*
10 *expenditure, or if the committee has not previously filed*
11 *a campaign statement, covering the period from the*
12 *previous January 1 to the date of the late independent*
13 *expenditure. No information required by paragraphs (1)*
14 *to (5), inclusive, of subdivision (f) of Section 84211, that*
15 *is required to be reported with a late independent*
16 *expenditure report by this subdivision, is required to be*
17 *reported on more than one late independent expenditure*
18 *report.*

19 (c) A candidate or committee that makes a late
20 independent expenditure shall file a late independent
21 expenditure report in the places where it would be
22 required to file campaign statements under this article as
23 if it were formed or existing primarily to support or
24 oppose the candidate or measure for or against which it
25 is making the late independent expenditure.

26 (d) A report filed pursuant to this section shall be in
27 addition to any other campaign statement required to be
28 filed by this article.

29 *SEC. 14. Section 84305.6 is added to the Government*
30 *Code, to read:*

31 *84305.6. In addition to the requirements of Section*
32 *84305.5, a slate mailer organization or committee*
33 *primarily formed to support or oppose one or more ballot*
34 *measures may not send a slate mailer unless any*
35 *recommendation in the slate mailer to support or oppose*
36 *a ballot measure or to support a candidate that is different*
37 *from the official recommendation to support or oppose*
38 *by the political party that the mailer appears by*
39 *representation or indicia to represent is accompanied,*
40 *immediately below the ballot measure or candidate*

1 *recommendation in the slate mailer, in no less than*
2 *nine-point roman boldface type in a color or print that*
3 *contrasts with the background so as to be easily legible,*
4 *the following notice:*

5
6 *“THIS IS NOT THE OFFICIAL POSITION OF THE*
7 *(political party that the mailer appears by representation*
8 *or indicia to represent) PARTY.”*

9 *SEC. 15. Section 84511 is added to the Government*
10 *Code, to read:*

11 *84511. Any individual who appears in an*
12 *advertisement to support or oppose the qualification,*
13 *passage, or defeat of a ballot measure and who has been*
14 *paid or promised payment of five thousand dollars*
15 *(\$5,000) or more for that appearance shall disclose that*
16 *payment or promised payment in a manner prescribed*
17 *by the commission. The advertisement shall include the*
18 *statement “(spokesperson’s name) is being paid by this*
19 *campaign or its donors” in highly visible Roman font*
20 *shown continuously if the advertisement consists of*
21 *printed or televised material, or spoken in a clearly*
22 *audible format if the advertisement is a radio broadcast*
23 *or telephone message.*

24 *SEC. 16. Article 1 (commencing with Section 85100)*
25 *of Chapter 5 of Title 9 of the Government Code, as added*
26 *by Proposition 73 at the June 7, 1988, statewide primary*
27 *election, is repealed.*

28 *SEC. 17. Article 1 (commencing with Section 85100)*
29 *of Chapter 5 of Title 9 of the Government Code, as added*
30 *by Proposition 208 at the November 5, 1996, statewide*
31 *general election, is repealed.*

32 *SEC. 18. Article 1 (commencing with Section 85100)*
33 *is added to Chapter 5 of Title 9 of the Government Code,*
34 *to read:*

35
36 *Article 1. Title of Chapter*
37

38 *85100. This chapter shall be known as the “Campaign*
39 *Contribution and Voluntary Expenditure Limits Without*

1 *Taxpayer Financing Amendments to the Political Reform*
2 *Act of 1974.”*

3 *SEC. 19. Article 2 (commencing with Section 85202)*
4 *of Chapter 5 of Title 9 of the Government Code, as added*
5 *by Proposition 208 at the November 5, 1996, statewide*
6 *general election, is repealed.*

7 *SEC. 20. Article 2.5 (commencing with Section*
8 *85202) is added to Chapter 5 of Title 9 of the Government*
9 *Code, to read:*

10
11 *Article 2.5. Applicability of the Political Reform Act of*
12 *1974*
13

14 *85202. Unless specifically superseded by the act that*
15 *adds this section, the definitions and provisions of this title*
16 *shall govern the interpretation of this chapter.*

17 *85203. “Small contributor committee” means any*
18 *committee that meets all of the following criteria:*

19 *(a) The committee has been in existence for at least six*
20 *months.*

21 *(b) The committee receives contributions from 100 or*
22 *more persons.*

23 *(c) No one person has contributed to the committee*
24 *more than two hundred dollars (\$200) per calendar year.*

25 *(d) The committee makes contributions to five or*
26 *more candidates.*

27 *85204. “Election cycle” for purposes of Sections 85309*
28 *and 85500, means the period of time commencing 90 days*
29 *prior to an election and ending on the date of the election.*

30 *85204.5. With respect to special elections, the*
31 *following terms have the following meanings:*

32 *(a) “Special election cycle” means the day on which*
33 *the office becomes vacant until the day of the special*
34 *election.*

35 *(b) “Special runoff election cycle” means the day after*
36 *the special election until the day of the special runoff*
37 *election.*

38 *85205. “Political party committee” means the state*
39 *central committee or county central committee of an*
40 *organization that meets the requirements for recognition*

1 as a political party pursuant to Section 5100 of the
2 Elections Code.

3 85206. "Public moneys" has the same meaning as
4 defined in Section 426 of the Penal Code.

5 SEC. 21. Section 85301 of the Government Code, as
6 added by Proposition 73 at the June 7, 1988, statewide
7 primary election, is repealed.

8 85301. (a) No person shall make, and no candidate
9 for elective office, or campaign treasurer, shall solicit or
10 accept any contribution or loan which would cause the
11 total amount contributed or loaned by that person to that
12 candidate, including contributions or loans to all
13 committees controlled by the candidate, to exceed one
14 thousand dollars (\$1,000) in any fiscal year.

15 (b) The provisions of this section shall not apply to a
16 candidate's contribution of his or her personal funds to his
17 or her own campaign contribution account.

18 SEC. 22. Section 85301 of the Government Code, as
19 added by Proposition 208 at the November 5, 1996,
20 statewide general election, is repealed.

21 85301. (a) Except as provided in subdivision (a) of
22 Section 85402 and Section 85706, no person, other than
23 small contributor committees and political party
24 committees, shall make to any candidate or the
25 candidate's controlled committee for local office in
26 districts with fewer than 100,000 residents, and no such
27 candidate or the candidate's controlled committee shall
28 accept from any person a contribution or contributions
29 totaling more than one hundred dollars (\$100) for each
30 election in which the candidate is attempting to be on the
31 ballot or is a write-in candidate.

32 (b) Except as provided in subdivision (b) of Section
33 85402 and Section 85706, no person, other than small
34 contributor committees and political party committees,
35 shall make to any candidate or the candidate's controlled
36 committee campaigning for office in districts of 100,000
37 or more residents, and no such candidate or the
38 candidate's controlled committee shall accept from any
39 such person a contribution or contributions totaling more
40 than two hundred fifty dollars (\$250) for each election in

~~1 which the candidate is attempting to be on the ballot or
2 is a write-in candidate.~~

~~3 (e) Except as provided in subdivision (e) of Section
4 85402, no person, other than small contributor
5 committees and political party committees, shall make to
6 any candidate or the candidate's controlled committee
7 for statewide office, and no such candidate or the
8 candidate's controlled committee shall accept from any
9 such person a contribution or contributions totaling more
10 than five hundred dollars (\$500) for each election in
11 which the candidate is attempting to be on the ballot or
12 is a write-in candidate.~~

~~13 (d) No person shall make to any committee that
14 contributes to any candidate and no such committee shall
15 accept from each such person a contribution or
16 contributions totaling more than five hundred dollars
17 (\$500) per calendar year. This subdivision shall not apply
18 to candidate-controlled committees, political party
19 committees, and independent expenditure committees.~~

~~20 (e) The provisions of this section shall not apply to a
21 candidate's contribution of his or her personal funds to his
22 or her own campaign committee, but shall apply to
23 contributions from a spouse.~~

~~24 SEC. 23. Section 85301 is added to the Government
25 Code, to read:~~

~~26 85301. (a) A person, other than a small contributor
27 committee or political party committee, may not make to
28 any candidate for elective state office other than a
29 candidate for statewide elective office, and a candidate
30 for elective state office other than a candidate for
31 statewide elective office may not accept from a person,
32 any contribution totaling more than three thousand
33 dollars (\$3,000) per election.~~

~~34 (b) Except to a candidate for governor, a person, other
35 than a small contributor committee or political party
36 committee, may not make to any candidate for statewide
37 elective office, and except a candidate for governor, a
38 candidate for statewide elective office may not accept
39 from a person other than a small contributor committee~~

1 or a political party committee, any contribution totaling
2 more than five thousand dollars (\$5,000) per election.

3 (c) A person, other than a small contributor
4 committee or political party committee, may not make to
5 any candidate for governor, and a candidate for governor
6 may not accept from any person other than a small
7 contributor committee or political party committee, any
8 contribution totaling more than twenty thousand dollars
9 (\$20,000) per election.

10 (d) The provisions of this section do not apply to a
11 candidate's contributions of his or her personal funds to
12 his or her own campaign.

13 SEC. 24. Section 85302 of the Government Code, as
14 added by Proposition 73 at the June 7, 1988, statewide
15 primary election, is repealed.

16 ~~85302. No person shall make and no political~~
17 ~~committee, broad based political committee, or political~~
18 ~~party shall solicit or accept, any contribution or loan from~~
19 ~~a person which would cause the total amount contributed~~
20 ~~or loaned by that person to the same political committee,~~
21 ~~broad based political committee, or political party to~~
22 ~~exceed two thousand five hundred dollars (\$2,500) in any~~
23 ~~fiscal year to make contributions to candidates for~~
24 ~~elective office.~~

25 SEC. 25. Section 85302 of the Government Code, as
26 added by Proposition 208 at the November 5, 1996,
27 statewide general election, is repealed.

28 ~~85302. No small contributor committee shall make to~~
29 ~~any candidate or the controlled committee of such a~~
30 ~~candidate, and no such candidate or the candidate's~~
31 ~~controlled committee shall accept from a small~~
32 ~~contributor committee, a contribution or contributions~~
33 ~~totaling more than two times the applicable contribution~~
34 ~~limit for persons prescribed in Section 85301 or 85402,~~
35 ~~whichever is applicable.~~

36 SEC. 26. Section 85302 is added to the Government
37 Code, to read:

38 85302. (a) A small contributor committee may not
39 make to any candidate for elective state office other than
40 a candidate for statewide elective office, and a candidate

1 for elective state office, other than a candidate for
2 statewide elective office may not accept from a small
3 contributor committee, any contribution totaling more
4 than six thousand dollars (\$6,000) per election.

5 (b) Except to a candidate for governor, a small
6 contributor committee may not make to any candidate
7 for statewide elective office and except for a candidate for
8 governor, a candidate for statewide elective office may
9 not accept from a small contributor committee, any
10 contribution totaling more than ten thousand dollars
11 (\$10,000) per election.

12 (c) A small contributor committee may not make to
13 any candidate for governor, and a candidate for governor
14 may not accept from a small contributor committee, any
15 contribution totaling more than twenty thousand dollars
16 (\$20,000) per election.

17 SEC. 27. Section 85303 of the Government Code, as
18 added by Proposition 73 at the June 7, 1988, statewide
19 primary election, is repealed.

20 ~~85303. (a) No political committee shall make, and no~~
21 ~~candidate or campaign treasurer shall solicit or accept,~~
22 ~~any contribution or loan which would cause the total~~
23 ~~amount contributed or loaned by that committee to that~~
24 ~~candidate for elective office or any committee controlled~~
25 ~~by that candidate to exceed two thousand five hundred~~
26 ~~dollars (\$2,500) in any fiscal year.~~

27 ~~(b) No broad-based political committee or political~~
28 ~~party shall make and no candidate or campaign treasurer~~
29 ~~shall solicit or accept, any contribution or loan which~~
30 ~~would cause the total amount contributed or loaned by~~
31 ~~that committee or political party to that candidate or any~~
32 ~~committee controlled by that candidate to exceed five~~
33 ~~thousand dollars (\$5,000) in any fiscal year.~~

34 ~~(c) Nothing in this Chapter shall limit a person's ability~~
35 ~~to provide financial or other support to one or more~~
36 ~~political committees or broad-based political committees~~
37 ~~provided the support is used for purposes other than~~
38 ~~making contributions directly to candidates for elective~~
39 ~~office.~~

SEC. 28. Section 85303 of the Government Code, as added by Proposition 208 at the November 5, 1996, statewide general election, is repealed.

~~85303. No person shall give in the aggregate to political party committees of the same political party, and no such party committees combined shall accept from any person, a contribution or contributions totaling more than five thousand dollars (\$5,000) per calendar year; except a candidate may distribute any surplus, residual, or unexpended campaign funds to a political party committee.~~

SEC. 29. Section 85303 is added to the Government Code, to read:

85303. (a) A person may not make to any committee, other than a political party committee, and a committee other than a political party committee may not accept, any contribution totaling more than five thousand dollars (\$5,000) per calendar year for the purpose of making contributions to candidates for elective state office.

(b) A person may not make to any political party committee, and a political party committee may not accept, any contribution totaling more than twenty-five thousand dollars (\$25,000) per calendar year for the purpose of making contributions for the support or defeat of candidates for elective state office.

(c) Except as provided in Section 85310, nothing in this chapter shall limit a person's contributions to a committee or political party committee provided the contributions are used for purposes other than making contributions to candidates for elective state office.

(d) Nothing in this chapter limits a candidate for elected state office from transferring contributions received by the candidate in excess of any amount necessary to defray the candidate's expenses for election related activities or holding office to a political party committee, provided those transferred contributions are used for purposes consistent with paragraph (4) of subdivision (b) of Section 89519.

1 SEC. 30. Section 85304 of the Government Code, as
2 added by Proposition 73 at the June 7, 1988, statewide
3 primary election, is repealed.

4 ~~85304. No candidate for elective office or committee~~
5 ~~controlled by that candidate or candidates for elective~~
6 ~~office shall transfer any contribution to any other~~
7 ~~candidate for elective office. Transfers of funds between~~
8 ~~candidates or their controlled committees are prohibited.~~

9 SEC. 31. Section 85304 of the Government Code, as
10 added by Proposition 208 at the November 5, 1996,
11 statewide general election, is repealed.

12 ~~85304. No more than 25 percent of the recommended~~
13 ~~expenditure limits specified in this act at the time of~~
14 ~~adoption by the voters, subject to cost of living~~
15 ~~adjustments as specified in Section 83124, shall be~~
16 ~~accepted in cumulative contributions for any election~~
17 ~~from all political party committees by any candidate or~~
18 ~~the controlled committee of such a candidate. Any~~
19 ~~expenditures made by a political party committee in~~
20 ~~support of a candidate shall be considered contributions~~
21 ~~to the candidate.~~

22 SEC. 32. Section 85304 is added to the Government
23 Code, to read:

24 85304. (a) A candidate for elective state office or an
25 elected state officer may establish a separate account to
26 defray attorney's fees and other related legal costs
27 incurred for the candidate's or officer's legal defense if
28 the candidate or officer is subject to one or more civil or
29 criminal proceedings or administrative proceedings
30 arising directly out of the conduct of an election
31 campaign, the electoral process, or the performance of
32 the officer's governmental activities and duties. These
33 funds may be used only to defray those attorney fees and
34 other related legal costs.

35 (b) A candidate may receive contributions to this
36 account that are not subject to the contribution limits set
37 forth in this article. However, all contributions shall be
38 reported in a manner prescribed by the commission.

39 (c) Once the legal dispute is resolved, the candidate
40 shall dispose of any funds remaining after all expenses

1 associated with the dispute are discharged for one or
2 more of the purposes set forth in paragraphs (1) to (5),
3 inclusive, of subdivision (b) of Section 89519.

4 SEC. 33. Section 85305 of the Government Code, as
5 added by Proposition 73 at the June 7, 1988, statewide
6 primary election, is repealed.

7 ~~85305. (a) This Section shall apply to candidates who~~
8 ~~seek elective office during a special election or a special~~
9 ~~runoff election.~~

10 (b) ~~As used in this Section, the following terms have~~
11 ~~the following meanings:~~

12 (1) ~~“Special election cycle” means the day on which~~
13 ~~the office becomes vacant until the day of the special~~
14 ~~election.~~

15 (2) ~~“Special runoff election cycle” means the day after~~
16 ~~the special election until the day of the special runoff~~
17 ~~election.~~

18 (c) ~~Notwithstanding Section 85301 or 85303 the~~
19 ~~following contribution limitations shall apply during~~
20 ~~special election cycles and special runoff election cycles.~~

21 (1) ~~No person shall make, and no candidate for~~
22 ~~elective office, or campaign treasurer, shall solicit or~~
23 ~~accept any contribution or loan which would cause the~~
24 ~~total amount contributed or loaned by that person to that~~
25 ~~candidate, including contributions or loans to all~~
26 ~~committees controlled by the candidate, to exceed one~~
27 ~~thousand dollars (\$1,000) during any special election~~
28 ~~cycle or special runoff election cycle.~~

29 (2) ~~No political committee shall make, and no~~
30 ~~candidate or campaign treasurer shall solicit or accept,~~
31 ~~any contribution or loan which would cause the total~~
32 ~~amount contributed or loaned by that committee to that~~
33 ~~candidate for elective office or any committee controlled~~
34 ~~by that candidate to exceed two thousand five hundred~~
35 ~~dollars (\$2,500) during any special election cycle or~~
36 ~~special runoff election cycle.~~

37 (3) ~~No broad-based political committee or political~~
38 ~~party shall make and no candidate or campaign treasurer~~
39 ~~shall solicit or accept, any contribution or loan which~~
40 ~~would cause the total amount contributed or loaned by~~

~~1 that committee or political party to that candidate or any
2 committee controlled by that candidate to exceed five
3 thousand dollars (\$5,000) during any special election
4 cycle or special runoff election cycle.~~

SEC. 34. Section 85305 of the Government Code, as added by Proposition 208 at the November 5, 1996, statewide general election, is repealed.

~~8 85305. (a) In districts of fewer than 1,000,000
9 residents, no candidate or the candidate's controlled
10 committee shall accept contributions more than six
11 months before any primary or special primary election or,
12 in the event there is no primary or special primary
13 election, any regular election or special election in which
14 the candidate is attempting to be on the ballot or is a
15 write-in candidate.~~

~~16 (b) In districts of 1,000,000 residents or more and for
17 statewide elective office, no candidate or the candidate's
18 controlled committee shall accept contributions more
19 than 12 months before any primary or special primary
20 election or, in the event there is no primary or special
21 primary election, any regular election or special election
22 in which the candidate is attempting to be on the ballot
23 or is a write-in candidate.~~

~~24 (c) No candidate or the controlled committee of such
25 candidate shall accept contributions more than 90 days
26 after the date of withdrawal, defeat, or election to office.
27 Contributions accepted immediately following such an
28 election or withdrawal and up to 90 days after that date
29 shall be used only to pay outstanding bills or debts owed
30 by the candidate or controlled committee. This section
31 shall not apply to retiring debts incurred with respect to
32 any election held prior to the effective date of this act,
33 provided such funds are collected pursuant to the
34 contribution limits specified in Article 3 (commencing
35 with Section 85300) of this act, applied separately for each
36 prior election for which debts are being retired, and such
37 funds raised shall not count against the contribution
38 limitations applicable for any election following the
39 effective date of this act.~~

~~(d) Notwithstanding subdivision (c), funds may be collected at any time to pay for attorney's fees for litigation or administrative action which arises directly out of a candidate's or elected officer's alleged violation of state or local campaign, disclosure, or election laws or for a fine or assessment imposed by any governmental agency for violations of this act or this title, or for a recount or contest of the validity of an election, or for any expense directly associated with an external audit or unresolved tax liability of the campaign by the candidate or the candidate's controlled committee; provided such funds are collected pursuant to the contribution limits of this act.~~

~~(e) Contributions pursuant to subdivisions (c) and (d) of this provision shall be considered contributions raised for the election in which the debts, fines, assessments, recounts, contests, audits, or tax liabilities were incurred and shall be subject to the contribution limits of that election.~~

SEC. 35. Section 85305 is added to the Government Code, to read:

85305. A candidate for elective state office or committee controlled by that candidate may not make any contribution to any other candidate for elective state office in excess of the limits set forth in subdivision (a) of Section 85301.

SEC. 36. Section 85306 of the Government Code, as added by Proposition 73 at the June 7, 1988, statewide primary election, is repealed.

~~85306. Any person who possesses campaign funds on the effective date of this chapter may expend these funds for any lawful purpose other than to support or oppose a candidacy for elective office.~~

SEC. 37. Section 85306 of the Government Code, as added by Proposition 208 at the November 5, 1996, statewide general election, is repealed.

~~85306. No candidate and no committee controlled by a candidate or officeholder, other than a political party committee, shall make any contribution to any other candidate running for office or his or her controlled~~

~~1 committee. This section shall not prohibit a candidate
2 from making a contribution from his or her own personal
3 funds to his or her own candidacy or to the candidacy of
4 any other candidate for elective office.~~

5 *SEC. 38. Section 85306 is added to the Government
6 Code, to read:*

7 *85306. (a) A candidate may transfer campaign funds
8 from one controlled committee to a controlled
9 committee for elective state office of the same candidate.
10 Contributions transferred shall be attributed to specific
11 contributors using a “last in, first out” or “first in, first out”
12 accounting method, and these attributed contributions
13 when aggregated with all other contributions from the
14 same contributor may not exceed the limits set forth in
15 Section 85301 or 85302.*

16 *(b) Notwithstanding subdivision (a), a candidate for
17 elective state office, other than a candidate for statewide
18 elective office who possesses campaign funds on January
19 1, 2001, may use those funds to seek elective office without
20 attributing the funds to specific contributors.*

21 *(c) Notwithstanding subdivision (a), a candidate for
22 statewide elective office who possesses campaign funds
23 on November 6, 2002, may use those funds to seek elective
24 office without attributing the funds to specific
25 contributors.*

26 *SEC. 39. Section 85307 of the Government Code, as
27 added by Proposition 73 at the June 7, 1988, statewide
28 primary election, is repealed.*

29 ~~85307. The provisions of this article regarding loans
30 shall apply to extensions of credit, but shall not apply to
31 loans made to the candidate by a commercial lending
32 institution in the lender’s regular course of business on
33 terms available to members of the general public for
34 which the candidate is personally liable.~~

35 *SEC. 40. Section 85307 of the Government Code, as
36 added by Proposition 208 at the November 5, 1996,
37 statewide general election, is repealed.*

38 ~~85307. (a) A loan shall be considered a contribution
39 from the maker and the guarantor of the loan and shall
40 be subject to all contribution limitations.~~

~~(b) Extensions of credit for a period of more than 30 days, other than loans from financial institutions given in the normal course of business, are subject to all contribution limitations.~~

~~(c) No candidate shall personally make outstanding loans to his or her campaign or campaign committee that total at any one point in time more than twenty thousand dollars (\$20,000) in the case of any candidate, except for candidates for governor, or fifty thousand dollars (\$50,000) in the case of candidates for governor. Nothing in this chapter shall prohibit a candidate from making unlimited contributions to his or her own campaign.~~

SEC. 41. Section 85307 is added to the Government Code, to read:

85307. (a) The provisions of this article regarding loans apply to extensions of credit, but do not apply to loans made to a candidate by a commercial lending institution in the lender's regular course of business on terms available to members of the general public for which the candidate is personally liable.

(b) A candidate for elective state office may not personally loan to his or her campaign an amount, the outstanding balance of which exceeds one hundred thousand dollars (\$100,000). A candidate may not charge interest on any loan he or she made to his or her campaign.

SEC. 42. Section 85308 of the Government Code, as added by Proposition 208 at the November 5, 1996, statewide general election, is repealed.

~~85308. (a) Contributions by a husband and wife shall not be aggregated.~~

~~(b) Contributions by children under 18 shall be treated as contributions attributed equally to each parent or guardian.~~

SEC. 43. Section 85308 is added to the Government Code, to read:

85308. (a) Contributions made by a husband and wife may not be aggregated.

1 (b) A contribution made by a child under 18 years of
2 age is presumed to be a contribution from the parent or
3 guardian of the child.

4 SEC. 44. Section 85309 of the Government Code, as
5 added by Proposition 208 at the November 5, 1996,
6 statewide general election, is repealed.

7 ~~85309. No more than 25 percent of the recommended~~
8 ~~voluntary expenditure limits specified in this act at the~~
9 ~~time of adoption by the voters, subject to cost of living~~
10 ~~adjustments as specified in Section 83124, for any election~~
11 ~~shall be accepted in contributions from other than~~
12 ~~individuals, small contributor committees, and political~~
13 ~~party committees in the aggregate by any candidate or~~
14 ~~the controlled committee of such a candidate. The~~
15 ~~limitation in this section shall apply whether or not the~~
16 ~~candidate agrees to the expenditure ceilings specified in~~
17 ~~Section 85400.~~

18 SEC. 45. Section 85309 is added to the Government
19 Code, to read:

20 85309. (a) In addition to any other report required
21 by this title, candidates for elective state office who are
22 required to file reports pursuant to Section 84605 shall file
23 online or electronically with the Secretary of State a
24 report disclosing receipt of a contribution of one
25 thousand dollars (\$1,000) or more received during an
26 election cycle. Those reports shall disclose the same
27 information required by subdivision (a) of Section 84203
28 and shall be filed within 24 hours of receipt of the
29 contribution.

30 (b) In addition to any other reports required by this
31 title, any committee primarily formed to support one or
32 more state ballot measures that is required to file reports
33 pursuant to Section 84605 shall file online or electronically
34 with the Secretary of State a report disclosing receipt of
35 a contribution of one thousand dollars (\$1,000) or more
36 received during an election cycle. Those reports shall
37 disclose the same information required by subdivision (a)
38 of Section 84203 and shall be filed within 24 hours of
39 receipt of the contribution.

1 SEC. 46. Section 85310 of the Government Code, as
2 added by Proposition 208 at the November 5, 1996,
3 statewide general election, is repealed.

4 ~~85310. No person shall contribute in the aggregate~~
5 ~~more than twenty-five thousand dollars (\$25,000) to all~~
6 ~~state candidates and the state candidates' controlled~~
7 ~~committees and political party committees in any~~
8 ~~two-year period. Contributions from political parties shall~~
9 ~~be exempt from this provision.~~

10 SEC. 47. Section 85310 is added to the Government
11 Code, to read:

12 85310. (a) Any person who makes a payment or a
13 promise of payment totaling fifty thousand dollars
14 (\$50,000) or more for a communication that clearly
15 identifies a candidate for elective state office, but does not
16 expressly advocate the election or defeat of the
17 candidate, and that is disseminated, broadcast, or
18 otherwise published within 45 days of an election, shall
19 file online or electronically with the Secretary of State a
20 report disclosing the name of the person, address,
21 occupation, and employer, and amount of the payment.
22 The report shall be filed within 48 hours of making the
23 payment or the promise to make the payment.

24 (b) (1) Except as provided in paragraph (2), if any
25 person has received a payment or a promise of a payment
26 from other persons totaling five thousand dollars (\$5,000)
27 or more for the purpose of making a communication
28 described in subdivision (a), the person receiving the
29 payments shall disclose on the report the name, address,
30 occupation and employer, and date and amount received
31 from the person.

32 (2) A person who receives or is promised a payment
33 that is otherwise reportable under paragraph (1) is not
34 required to report the payment if the person is in the
35 business of providing goods or services and receives or is
36 promised the payment for the purpose of providing those
37 goods or services.

38 (c) Any payment received by a person who makes a
39 communication described in subdivision (a) is subject to
40 the limits specified in subdivision (b) of Section 85303 if

1 *the communication is made at the behest of the clearly*
2 *identified candidate.*

3 *SEC. 48. Section 85311 of the Government Code, as*
4 *added by Proposition 208 at the November 5, 1996,*
5 *statewide general election, is repealed.*

6 ~~85311. All payments made by a person established,~~
7 ~~financed, maintained, or controlled by any business~~
8 ~~entity, labor organization, association, political party, or~~
9 ~~any other person or group of such persons shall be~~
10 ~~considered to be made by a single person.~~

11 *SEC. 49. Section 85311 is added to the Government*
12 *Code, to read:*

13 *85311. (a) For purposes of this chapter the following*
14 *terms have the following meanings:*

15 *(1) "Entity" means any person, other than an*
16 *individual.*

17 *(2) "Majority-owned" means a direct or indirect*
18 *ownership of more than 50 percent.*

19 *(b) The contributions of an entity whose contributions*
20 *are directed and controlled by any individual shall be*
21 *aggregated with contributions made by that individual*
22 *and any other entity whose contributions are directed*
23 *and controlled by the same individual.*

24 *(c) If two or more entities make contributions that are*
25 *directed and controlled by a majority of the same persons,*
26 *the contributions of those entities shall be aggregated.*

27 *(d) Contributions made by entities that are*
28 *majority-owned by any person shall be aggregated with*
29 *the contributions of the majority owner and all other*
30 *entities majority-owned by that person, unless those*
31 *entities act independently in their decisions to make*
32 *contributions.*

33 *SEC. 50. Section 85312 of the Government Code, as*
34 *added by Proposition 208 at the November 5, 1996,*
35 *statewide general election, is repealed.*

36 ~~85312. The costs of internal communications to~~
37 ~~members, employees, or shareholders of an organization,~~
38 ~~other than a political party, for the purpose of supporting~~
39 ~~or opposing a candidate or candidates for elective office~~
40 ~~or a ballot measure or measures shall not be considered~~

~~1 a contribution or independent expenditure under the
2 provisions of this act, provided such payments are not for
3 the costs of campaign materials or activities used in
4 connection with broadcasting, newspaper, billboard, or
5 similar type of general public communication.~~

6 *SEC. 51. Section 85312 is added to the Government
7 Code, to read:*

8 *85312. For purpose of this title, payments for
9 communications for purpose of this title to members,
10 employees, shareholders, or families of members,
11 employees, or shareholders of an organization for the
12 purpose of supporting or opposing a candidate or a ballot
13 measure are not contributions or independent
14 expenditures, provided those payments are not made for
15 general public advertising such as broadcasting,
16 billboards, and newspaper advertisements.*

17 *SEC. 52. Section 85313 of the Government Code, as
18 added by Proposition 208 at the November 5, 1996,
19 statewide general election, is repealed.*

20 ~~85313. (a) Each elected officer may be permitted to
21 establish one segregated officerholder expense fund for
22 expenses related to assisting, serving, or communicating
23 with constituents, or with carrying out the official duties
24 of the elected officer, provided aggregate contributions
25 to such a fund do not exceed ten thousand dollars
26 (\$10,000) within any calendar year and that the
27 expenditures are not made in connection with any
28 campaign for elective office or ballot measure.~~

29 ~~(b) No person shall make, and no elected officer or
30 officerholder account shall solicit or accept from any
31 person, a contribution or contributions to the
32 officerholder account totaling more than two hundred
33 fifty dollars (\$250) during any calendar year.
34 Contributions to an officerholder account shall not be
35 considered campaign contributions.~~

36 ~~(c) No elected officerholder or officerholder account
37 shall solicit or accept a contribution to the officerholder
38 account from, through, or arranged by a registered state
39 or local lobbyist or a state or local lobbyist employer if that
40 lobbyist or lobbyist employer finances, engages, or is~~

1 ~~authorized to engage in lobbying the governmental~~
2 ~~agency of the officeholder.~~

3 ~~(d) All expenditures from, and contributions to, an~~
4 ~~officeholder account are subject to the campaign~~
5 ~~disclosure and reporting requirements of this title.~~

6 ~~(e) Any funds in an officeholder account remaining~~
7 ~~after leaving office shall be turned over to the General~~
8 ~~Fund.~~

9 SEC. 53. Section 85314 is added to the Government
10 Code, to read:

11 85314. The contribution limits of this chapter apply to
12 special elections and apply to special runoff elections. A
13 special election and a special runoff election are separate
14 elections for purposes of the contribution and voluntary
15 expenditure limits set forth in this chapter.

16 SEC. 54. Section 85315 is added to the Government
17 Code, to read:

18 85315. (a) Notwithstanding any other provision of
19 this chapter, an elected state officer may establish a
20 committee to oppose the qualification of a recall measure,
21 and the recall election. This committee may be
22 established when the elected state officer receives a
23 notice of intent to recall pursuant to Section 11021 of the
24 Elections Code. An elected state officer may accept
25 campaign contributions to oppose the qualification of a
26 recall measure, and if qualification is successful, the recall
27 election, without regard to the campaign contributions
28 limits set forth in this chapter. The voluntary expenditure
29 limits do not apply to expenditures made to oppose the
30 qualification of a recall measure or to oppose the recall
31 election.

32 (b) After the failure of a recall petition or after the
33 recall election, the committee formed by the elected
34 state officer shall wind down its activities and dissolve.
35 Any remaining funds shall be treated as surplus funds and
36 shall be expended within 30 days after the failure of the
37 recall petition or after the recall election for a purpose
38 specified in subdivision (b) of Section 89519.

39 SEC. 55. Section 85316 is added to the Government
40 Code, to read:

1 85316. A contribution for an election may be accepted
2 by a candidate for elective state office after the date of the
3 election only to the extent that the contribution does not
4 exceed net debts outstanding from the election, and the
5 contribution does not otherwise exceed the applicable
6 contribution limit for that election.

7 SEC. 56. Section 85317 is added to the Government
8 Code, to read:

9 85317. Notwithstanding subdivision (a) of Section
10 85306, a candidate for state elective office may carry over
11 contributions raised in connection with one election for
12 elective state office to pay campaign expenditures
13 incurred in connection with a subsequent election for the
14 same elective state office.

15 SEC. 57. Section 85318 is added to the Government
16 Code, to read:

17 85318. A candidate for state elective office may raise
18 contributions for a general election prior to the primary
19 election for the same elective state office if the candidate
20 set aside these contributions and uses these contributions
21 for the general election. If the candidate for state elective
22 office is defeated in the primary election or otherwise
23 withdraws from the general election, the general election
24 funds shall be refunded to the contributors on a pro rata
25 basis less any expenses associated with the raising and
26 administration of general election contributions.

27 SEC. 58. Section 85319 is added to the Government
28 Code, to read:

29 85319. A candidate for state elective office may return
30 all or part of any contribution to the donor who made the
31 contribution at any time, whether or not other
32 contributions are returned.

33 SEC. 59. Article 4 (commencing with Section 85400)
34 of Chapter 5 of Title 9 of the Government Code, as added
35 by Proposition 208 at the November 5, 1996, statewide
36 general election, is repealed.

37 SEC. 60. Article 4 (commencing with Section 85400)
38 is added to Chapter 5 of Title 9 of the Government Code,
39 to read:

40

Article 4. Voluntary Expenditure Ceilings

85400. (a) A candidate for elective state office, other than the Board of Administration of the Public Employees' Retirement System, who voluntarily accepts expenditure limits may not make campaign expenditures in excess of the following:

(1) For an Assembly candidate, four hundred thousand dollars (\$400,000) in the primary or special primary election and seven hundred thousand dollars (\$700,000) in the general, special, or special runoff election.

(2) For a Senate candidate, six hundred thousand dollars (\$600,000) in the primary or special primary election and nine hundred thousand dollars (\$900,000) in the general, special, or special runoff election.

(3) For a candidate for the State Board of Equalization, one million dollars (\$1,000,000) in the primary election and one million five hundred thousand dollars (\$1,500,000) in the general election.

(4) For a statewide candidate other than a candidate for governor or the State Board of Equalization, four million dollars (\$4,000,000) in the primary election and six million dollars (\$6,000,000) in the general election.

(5) For a candidate for governor, six million dollars (\$6,000,000) in the primary election and ten million dollars (\$10,000,000) in the general election.

(b) For purposes of this section "campaign expenditures" has the same meaning as "election related activities" as defined in subparagraph (C) of paragraph (2) of subdivision (b) of Section 82015.

(c) A campaign expenditure made by a political party on behalf of a candidate may not be attributed to the limitations on campaign expenditures set forth in this section.

85401. (a) Each candidate for elective state office shall file a statement of acceptance or rejection of the voluntary expenditure limits set forth in Section 85400 at the time he or she files the statement of intention specified in Section 85200.

1 (b) Any candidate for elective state office who
2 declined to accept the voluntary expenditure limits but
3 who nevertheless does not exceed the limits in the
4 primary, special primary, or special election, may file a
5 statement of acceptance of the expenditure limits for a
6 general or special runoff election within 14 days following
7 the primary, special primary, or special election.

8 85402. (a) Any candidate for elective state office who
9 has filed a statement accepting the voluntary
10 expenditure limits is not bound by those limits if an
11 opposing candidate contributes personal funds to his or
12 her own campaign in excess of the limits set forth in
13 Section 85400.

14 (b) The Commission shall require by regulation timely
15 notification by candidates for elective state office who
16 make personal contributions to their own campaign.

17 85403. Any candidate who files a statement of
18 acceptance pursuant to Section 85401 and makes
19 campaign expenditures in excess of the limits shall be
20 subject to the remedies in Chapter 3 (commencing with
21 Section 83100) and Chapter 11 (commencing with
22 Section 91000).

23 SEC. 61. Article 5 (commencing with Section 85500)
24 of Chapter 5 of Title 9 of the Government Code, as added
25 by Proposition 208 at the November 5, 1996, statewide
26 general election, is repealed.

27 SEC. 62. Article 5 (commencing with Section 85500)
28 is added to Chapter 5 of Title 9 of the Government Code,
29 to read:

30
31 Article 5. Independent Expenditures
32

33 85500. (a) In addition to any other report required
34 by this title, committees, including political party
35 committees, which are required to file reports pursuant
36 to Section 84605 and that make independent
37 expenditures of one thousand dollars (\$1,000) or more
38 during an election cycle in connection with a candidate
39 for elective state office, shall file online or electronically
40 a report with the Secretary of State disclosing the making

1 of the independent expenditure. Those reports shall
2 disclose the same information required by subdivision (b)
3 of Section 84204 and shall be filed within 24 hours of the
4 time the independent expenditure is made.

5 (b) An expenditure may not be considered
6 independent, and shall be treated as a contribution from
7 the person making the expenditure to the candidate on
8 whose behalf, or for whose benefit, the expenditure is
9 made, if the expenditure is made under any of the
10 following circumstances:

11 (1) The expenditure is made with the cooperation of,
12 or in consultation with, any candidate or any authorized
13 committee or agent of the candidate.

14 (2) The expenditure is made in concert with, or at the
15 request or suggestion of, any candidate or any authorized
16 committee or agent of the candidate.

17 (3) The expenditure is made under any arrangement,
18 coordination, or direction with respect to the candidate
19 or the candidate's agent and the person making the
20 expenditure.

21 85501. A controlled committee of a candidate may not
22 make independent expenditures and may not contribute
23 funds to another committee for the purpose of making
24 independent expenditures.

25 SEC. 63. Article 6 (commencing with Section 85600)
26 of Chapter 5 of Title 9 of the Government Code, as added
27 by Proposition 208 at the November 5, 1996, statewide
28 general election, is repealed.

29 SEC. 64. Article 6 (commencing with Section 85600)
30 is added to Chapter 5 of Title 9 of the Government Code,
31 to read:

32
33 Article 6. Ballot Pamphlet
34

35 85600. The Secretary of State and local election
36 officers shall designate in the ballot pamphlet those
37 candidates for elective state office who have voluntarily
38 agreed to expenditure limitations set forth in Section
39 85400.

1 85601. A candidate for elective state office who
2 accepts voluntary expenditure limits may purchase the
3 space to place a statement in the ballot pamphlet that
4 does not exceed 250 words. The statement may not make
5 any reference to any opponent of the candidate. The
6 statement shall be submitted in accordance with time
7 frames and procedures set forth in the Elections Code for
8 the preparation of ballot pamphlets.

9 SEC. 65. Article 7 (commencing with Section 85700)
10 of Chapter 5 of Title 9 of the Government Code, as added
11 by Proposition 208 at the November 5, 1996, statewide
12 general election, is repealed.

13 SEC. 66. Article 7 (commencing with Section 85700)
14 is added to Chapter 5 of Title 9 of the Government Code,
15 to read:

16
17 Article 7. Additional Contribution Requirements
18

19 85700. A candidate or committee shall return within
20 60 days any contribution of one hundred dollars (\$100) or
21 more for which the candidate or committee does not have
22 on file in the records of the candidate or committee the
23 name, address, occupation, and employer of the
24 contributor.

25 85701. Any candidate or committee that receives a
26 contribution in violation of Section 84301 shall pay to the
27 General Fund of the state the amount of the contribution.

28 85702. An elected state officer or candidate for
29 elected state office may not accept a contribution from a
30 lobbyist, and a lobbyist may not make a contribution to an
31 elected state officer or candidate for elected state office,
32 if that lobbyist is registered to lobby the governmental
33 agency for which the candidate is seeking election or the
34 governmental agency of the elected state officer.

35 85703. Nothing in this act shall nullify contribution
36 limitations or prohibitions of any local jurisdiction that
37 apply to elections for local elective office, except that
38 these limitations and prohibitions may not conflict with
39 the provisions of Section 85312.

1 85704. A person may not make any contribution to a
2 committee on the condition or with the agreement that
3 it will be contributed to any particular candidate unless
4 the contribution is fully disclosed pursuant to Section
5 84302.

6 SEC. 67. Section 89510 of the Government Code is
7 amended to read:

8 89510. (a) A candidate may only accept
9 contributions from persons, political committees, broad
10 based political committees, and political parties and only
11 in the amounts specified in Article 3 (commencing with
12 Section 85300). A candidate shall not accept contributions
13 from any other source in accordance with the provision
14 set forth in Chapter 5 (commencing with Section 85100).

15 (b) All contributions deposited into the campaign
16 account shall be deemed to be held in trust for expenses
17 associated with the election of the candidate to the
18 specific office for which the candidate has stated,
19 pursuant to Section 85200, that he or she intends to seek
20 or expenses associated with holding that office for
21 purposes set forth in Chapter 5 (commencing with
22 Section 85100).

23 (c) In the event that the numerical reference to a
24 district changes due to a reapportionment subsequent to
25 a candidate declaring an intention to seek a specific
26 office, the candidate may use the contribution raised
27 under the old-numbered district to seek office, and for
28 office expenses, in the new-numbered district.

29 (d) In the event that the boundaries of the district for
30 a specific office change as a result of a reapportionment
31 which is enacted after a candidate files a statement of
32 intention to be a candidate for that specific office, the
33 candidate may use any contributions received for that
34 specific office for expenses associated with the election of
35 the candidate to any other equivalent district office of the
36 agency body which includes the specific office, at the next
37 election for that other district office, and for expenses
38 associated with holding that other district office.

39 SEC. 68. Section 89519 of the Government Code, as
40 added by Chapter 84 of the Statutes of 1990, is repealed.

~~89519. Upon leaving any elected office, or at the end of the postelection reporting period following the defeat of a candidate for elective office, whichever occurs last, campaign funds raised after January 1, 1989, under the control of the former candidate or elected officer shall be considered surplus campaign funds and shall be disclosed pursuant to Chapter 4 (commencing with Section 84100) and shall be used only for the following purposes:~~

~~(a) The payment of outstanding campaign debts or elected officer's expenses.~~

~~(b) The pro rata repayment of contributions.~~

~~(c) Donations to any bona fide charitable, educational, civic, religious, or similar tax-exempt, nonprofit organization, where no substantial part of the proceeds will have a material financial effect on the former candidate or elected officer, any member of his or her immediate family, or his or her campaign treasurer.~~

~~(d) Contributions to a political party or committee so long as the funds are not used to make contributions in support of or opposition to a candidate for elective office.~~

~~(e) Contributions to support or oppose any candidate for federal office, any candidate for elective office in a state other than California, or any ballot measure.~~

~~SEC. 69. Section 89519 of the Government Code, as added by Proposition 208 at the November 5, 1996, statewide general election, is repealed.~~

~~89519. Any campaign funds in excess of expenses incurred for the campaign or for expenses specified in subdivision (d) of Section 85305, received by or on behalf of an individual who seeks nomination for election, or election to office, shall be deemed to be surplus campaign funds and shall be distributed within 90 days after withdrawal, defeat, or election to office in the following manner:~~

~~(a) No more than ten thousand dollars (\$10,000) may be deposited in the candidate's officeholder account; except such surplus from a campaign fund for the general election shall not be deposited into the officeholder account within 60 days immediately following the election.~~

~~(b) Any remaining surplus funds shall be distributed to any political party, returned to contributors on a pro rata basis, or turned over to the General Fund.~~

SEC. 70. Section 89519 is added to the Government Code, to read:

89519. (a) Upon leaving any elected office, or at the end of the postelection reporting period following the defeat of a candidate for elective office, whichever occurs last, campaign funds raised after January 1, 1989, under the control of the former candidate or elected officer shall be considered surplus campaign funds and shall be disclosed pursuant to Chapter 4 (commencing with Section 84100).

(b) Surplus campaign funds shall be used only for the following purposes:

(1) The payment of outstanding campaign debts or elected officer's expenses.

(2) The repayment of contributions.

(3) Donations to any bona fide charitable, educational, civic, religious, or similar tax-exempt, nonprofit organization, where no substantial part of the proceeds will have a material financial effect on the former candidate or elected officer, any member of his or her immediate family, or his or her campaign treasurer.

(4) Contributions to a political party committee, provided the campaign funds are not used to support or oppose candidates for elective office. However, the campaign funds may be used by a political party committee to conduct partisan voter registration, partisan get-out-the-vote activities, and slate mailers as that term is defined in Section 82048.3.

(5) Contributions to support or oppose any candidate for federal office, any candidate for elective office in a state other than California, or any ballot measure.

(6) The payment for professional services reasonably required by the committee to assist in the performance of its administrative functions, including payment for attorney's fees for litigation which arises directly out of a candidate's or elected officer's activities, duties, or status as a candidate or elected officer, including, but not

1 *limited to, an action to enjoin defamation, defense of an*
2 *action brought of a violation of state or local campaign,*
3 *disclosure, or election laws, and an action from an election*
4 *contest or recount.*

5 *(c) For purposes of this section, the payment for, or*
6 *the reimbursement to the state of, the costs of installing*
7 *and monitoring an electronic security system in the home*
8 *or office, or both, of a candidate or elected officer who has*
9 *received threats to his or her physical safety shall be*
10 *deemed an outstanding campaign debt or elected*
11 *officer's expense, provided that the threats arise from his*
12 *or her activities, duties, or status as a candidate or elected*
13 *officer and that the threats have been reported to and*
14 *verified by an appropriate law enforcement agency.*
15 *Verification shall be determined solely by the law*
16 *enforcement agency to which the threat was reported.*
17 *The candidate or elected officer shall report any*
18 *expenditure of campaign funds made pursuant to this*
19 *section to the commission. The report to the commission*
20 *shall include the date that the candidate or elected officer*
21 *informed the law enforcement agency of the threat, the*
22 *name and the telephone number of the law enforcement*
23 *agency, and a brief description of the threat. No more*
24 *than five thousand dollars (\$5,000) in surplus campaign*
25 *funds may be used, cumulatively, by a candidate or*
26 *elected officer pursuant to this subdivision. Payments*
27 *made pursuant to this subdivision shall be made during*
28 *the two years immediately following the date upon which*
29 *the campaign funds become surplus campaign funds. The*
30 *candidate or elected officer shall reimburse the surplus*
31 *fund account for the fair market value of the security*
32 *system no later than two years immediately following the*
33 *date upon which the campaign funds became surplus*
34 *campaign funds. The campaign funds become surplus*
35 *campaign funds upon sale of the property on which the*
36 *system is installed, or prior to the closing of the surplus*
37 *campaign fund account, whichever comes first. The*
38 *electronic security system shall be the property of the*
39 *campaign committee of the candidate or elected officer.*

1 *SEC. 71. Section 91000 of the Government Code,*
2 *added by Proposition 9 at the June 4, 1974, statewide*
3 *primary election, is repealed.*

4 ~~91000. (a) Any person who knowingly or willfully~~
5 ~~violates any provision of this title is guilty of a~~
6 ~~misdemeanor.~~

7 ~~(b) In addition to other penalties provided by law, a~~
8 ~~fine of up to the greater of ten thousand dollars (\$10,000)~~
9 ~~or three times the amount the person failed to report~~
10 ~~properly or unlawfully contributed, expended, gave or~~
11 ~~received may be imposed upon conviction for each~~
12 ~~violation.~~

13 ~~(c) Prosecution for violation of this title must be~~
14 ~~commenced within four years after the date on which the~~
15 ~~violation occurred.~~

16 *SEC. 72. Section 91000 of the Government Code, as*
17 *amended by Proposition 208 at the November 5, 1996,*
18 *statewide general election, is repealed.*

19 ~~91000. (a) Any person who knowingly or willfully~~
20 ~~violates any provision of this title is guilty of a~~
21 ~~misdemeanor.~~

22 ~~(b) In addition to other penalties provided by law, a~~
23 ~~fine of up to the greater of ten thousand dollars (\$10,000)~~
24 ~~or three times the amount the person failed to report~~
25 ~~properly or unlawfully contributed, expended, gave or~~
26 ~~received may be imposed upon conviction for each~~
27 ~~violation.~~

28 ~~(c) Prosecution for violation of this title must be~~
29 ~~commenced within four years after the date on which the~~
30 ~~violation occurred.~~

31 ~~(d) The commission has concurrent jurisdiction in~~
32 ~~enforcing the criminal misdemeanor provisions of this~~
33 ~~title.~~

34 *SEC. 73. Section 91000 is added to the Government*
35 *Code, to read:*

36 *91000. (a) Any person who knowingly or willfully*
37 *violates any provision of this title is guilty of a*
38 *misdemeanor.*

39 *(b) In addition to other penalties provided by law, a*
40 *fine of up to the greater of ten thousand dollars (\$10,000)*

1 or three times the amount the person failed to report
2 properly or unlawfully contributed, expended, gave or
3 received may be imposed upon conviction for each
4 violation.

5 (c) Prosecution for violation of this title must be
6 commenced within four years after the date on which the
7 violation occurred.

8 SEC. 74. Section 91004 of the Government Code,
9 added by Proposition 9 at the June 4, 1974, statewide
10 primary election, is repealed.

11 ~~91004. Any person who intentionally or negligently~~
12 ~~violates any of the reporting requirements of this act shall~~
13 ~~be liable in a civil action brought by the civil prosecutor~~
14 ~~or by a person residing within the jurisdiction for an~~
15 ~~amount not more than the amount or value not properly~~
16 ~~reported.~~

17 SEC. 75. Section 91004 of the Government Code, as
18 amended by Proposition 208 at the November 5, 1996,
19 statewide general election, is repealed.

20 ~~91004. Any person who intentionally or negligently~~
21 ~~violates any of the reporting requirements of this act, or~~
22 ~~who aids and abets any person who violates any of the~~
23 ~~reporting requirements of this act, shall be liable in a civil~~
24 ~~action brought by the civil prosecutor or by a person~~
25 ~~residing within the jurisdiction for an amount not more~~
26 ~~than the amount or value not properly reported.~~

27 SEC. 76. Section 91004 is added to the Government
28 Code, to read:

29 91004. Any person who intentionally or negligently
30 violates any of the reporting requirements of this title
31 shall be liable in a civil action brought by the civil
32 prosecutor or by a person residing within the jurisdiction
33 for an amount not more than the amount or value not
34 properly reported.

35 SEC. 77. Section 91005.5 of the Government Code, as
36 added by Chapter 727 of the Statutes of 1982, is repealed.

37 ~~91005.5. Any person who violates any provision of this~~
38 ~~title, except Sections 84305, 84307, and 89001, for which no~~
39 ~~specific civil penalty is provided, shall be liable in a civil~~
40 ~~action brought by the commission or the district attorney~~

~~pursuant to subdivision (b) of Section 91001, or the
elected city attorney pursuant to Section 91001.5, for an
amount up to two thousand dollars (\$2,000).~~

~~No civil action alleging a violation of this title may be
filed against a person pursuant to this section if the
criminal prosecutor is maintaining a criminal action
against that person pursuant to Section 91000.~~

~~The provisions of this section shall be applicable only as
to violations occurring after the effective date of this
section.~~

*SEC. 78. Section 91005.5 of the Government Code, as
amended by Proposition 208 at the November 5, 1996,
statewide general election, is repealed.*

~~91005.5. Any person who violates any provision of this
title, except Sections 84305, 84307, and 89001, for which no
specific civil penalty is provided, shall be liable in a civil
action brought by the commission or the district attorney
pursuant to subdivision (b) of Section 91001, or the
elected city attorney pursuant to Section 91001.5, for an
amount up to five thousand dollars (\$5,000) per violation.~~

~~No civil action alleging a violation of this title may be
filed against a person pursuant to this section if the
criminal prosecutor is maintaining a criminal action
against that person pursuant to Section 91000.~~

~~The provisions of this section shall be applicable only as
to violations occurring after the effective date of this
section.~~

*SEC. 79. Section 91005.5 is added to the Government
Code, to read:*

*91005.5. Any person who violates any provision of this
title, except Sections 84305, 84307, and 89001, for which no
specific civil penalty is provided, shall be liable in a civil
action brought by the commission or the district attorney
pursuant to subdivision (b) of Section 91001, or the
elected city attorney pursuant to Section 91001.5, for an
amount up to five thousand dollars (\$5,000) per violation.*

*No civil action alleging a violation of this title may be
filed against a person pursuant to this section if the
criminal prosecutor is maintaining a criminal action
against that person pursuant to Section 91000.*

1 *The provisions of this section shall be applicable only as*
2 *to violations occurring after the effective date of this*
3 *section.*

4 *SEC. 80. Section 91006 of the Government Code,*
5 *added by Proposition 9 at the June 4, 1974, statewide*
6 *primary election, is repealed.*

7 ~~91006. If two or more persons are responsible for any~~
8 ~~violation, they shall be jointly and severally liable.~~

9 *SEC. 81. Section 91006 of the Government Code, as*
10 *amended by Proposition 208 at the November 5, 1996,*
11 *statewide general election, is repealed.*

12 ~~91006. Any person who violates any provision of this~~
13 ~~title, who purposely or negligently causes any other~~
14 ~~person to violate any provision of this title, or who aids~~
15 ~~and abets any other person in the violation of any~~
16 ~~provision of this title, shall be liable under the provisions~~
17 ~~of this chapter and Chapter 3 (commencing with Section~~
18 ~~83100) of this title.~~

19 *SEC. 82. Section 91006 is added to the Government*
20 *Code, to read:*

21 *91006. If two or more persons are responsible for any*
22 *violation, they shall be jointly and severally liable.*

23 *SEC. 83. This act shall become operative on January*
24 *1, 2001. However, Chapter 5 (commencing with Section*
25 *85100) of Title 9 of the Government Code, except*
26 *subdivision (a) of Section 85309 of the Government Code,*
27 *shall apply to candidates for statewide elective office*
28 *beginning on and after November 6, 2002.*

29 *SEC. 84. The provisions of this act are severable. If*
30 *any provision of this act or its application is held invalid,*
31 *that invalidity shall not affect other provisions or*
32 *applications that can be given effect without the invalid*
33 *provision or application.*

34 *SEC. 85. (a) A special election is hereby called to be*
35 *held throughout the state on November 7, 2000. The*
36 *election shall be consolidated with the statewide general*
37 *election to be held on that date. The consolidated election*
38 *shall be held and conducted in all respects as if there were*
39 *only one election and only one form of ballot shall be used.*

(b) Notwithstanding Section 9040 of the Elections Code or any other provision of law, the Secretary of State, pursuant to subdivision (b) of Section 81012 of the Government Code shall submit this act for approval to the voters at the November 7, 2000, statewide general election.

SEC. 86. This is an act calling an election pursuant to paragraph (3) of subdivision (c) of Section 8 of Article IV of the California Constitution, and shall take effect immediately.

Code is amended to read:

84305.5. (a) No ~~slate mailer organization or committee formed primarily to support or oppose one or more candidates or ballot measures may send a slate mailer unless:~~

(1) ~~The name, street address, and city of the slate mailer organization or committee formed primarily to support or oppose one or more candidates or ballot measures are shown on the outside of each piece of slate mail and on each insert included with each piece of slate mail in no less than 8-point roman type, which shall be in a color or print that contrasts with the background so as to be easily legible. A post office box may be stated in lieu of a street address if the street address of the slate mailer organization or the committee formed primarily to support or oppose one or more candidates or ballot measures is a matter of public record with the Political Reform Division of the office of the Secretary of State.~~

(2) ~~At the top of each side or surface of the slate mailer or at the top of each side or surface of a postcard or other self-mailer, there is a notice in at least 8-point roman boldface type, which shall be in a color or print that contrasts with the background so as to be easily legible, and in a printed or drawn box set apart from any other printed matter. The notice shall consist of the following statement:~~

NOTICE TO VOTERS

~~THIS DOCUMENT WAS PREPARED BY (name of slate mailer organization or committee primarily formed to support or oppose one or more candidates or ballot measures); NOT AN OFFICIAL POLITICAL PARTY ORGANIZATION. All candidates and ballot measures designated by \$\$\$ have paid for their listing in this mailer. A listing in this mailer does not necessarily imply endorsement of other candidates or measures listed in this mailer.~~

(3) Any reference to a candidate or ballot measure that has paid to be included on the slate mailer shall also comply with the provisions of Section 84503 et seq.

(4) Each candidate and each ballot measure that has paid to appear in the slate mailer is designated by \$\$\$\$. Any candidate or ballot measure that has not paid to appear in the slate mailer is not designated by \$\$\$\$. The \$\$\$ required by this subdivision shall be of the same type size, type style, color or contrast, and legibility used for the name of the candidate or the ballot measure name or number and position advocated to which the \$\$\$ designation applies, except that in no case shall the \$\$\$ be required to be larger than 10-point boldface type. The designation shall immediately follow the name of the candidate or the name or number and position advocated on the ballot measure where the designation appears in a slate of candidates and measures. If there is no slate listing, the designation shall appear at least once, in at least 8-point boldface type, immediately following the name of the candidate or the name or number and position advocated on the ballot measure.

(5) The name of any candidate appearing in the slate mailer who is a nominee of a political party differing from the political party which the mailer appears by representation or indicia to represent is accompanied, immediately below the name, by the party designation of the candidate, in no less than 9-point roman type, which

1 shall be in a color or print that contrasts with the
2 background so as to be easily legible. The designation
3 shall not be required in the case of candidates for
4 nonpartisan offices.

5 (6) It is the intent of the Legislature that any
6 recommendation in the slate mailer to support or oppose
7 a ballot measure or to support a candidate that is different
8 from the official recommendation to support or oppose
9 by the political party which the mailer appears by
10 representation or indicia to represent is accompanied,
11 immediately below the ballot measure or candidate
12 recommendation in the slate mailer, in no less than
13 9-point roman boldface type, which shall be in a color or
14 print that contrasts with the background so as to be easily
15 legible, the following notice: THIS IS NOT THE
16 OFFICIAL POSITION OF THE (political party which
17 the slate mailer appears by representation or indicia to
18 represent) PARTY.

19 (b) For purposes of the designations required by
20 paragraph (4) of subdivision (a), the payment of any sum
21 made reportable by subdivision (c) of Section 84219 by or
22 at the behest of a candidate or committee whose name or
23 position appears in the mailer to the slate mailer
24 organization or committee primarily formed to support
25 or oppose one or more candidates or ballot measures shall
26 constitute a payment to appear, requiring the \$\$\$
27 designation. The payment shall also be deemed to
28 constitute authorization to appear in the mailer.

29 (c) A slate mailer that complies with this section shall
30 be deemed to satisfy the requirements of Sections 20003
31 and 20004 of the Elections Code.

32 SEC. 2. No reimbursement is required by this act
33 pursuant to Section 6 of Article XIII B of the California
34 Constitution because the only costs that may be incurred
35 by a local agency or school district will be incurred
36 because this act creates a new crime or infraction,
37 eliminates a crime or infraction, or changes the penalty
38 for a crime or infraction, within the meaning of Section
39 17556 of the Government Code, or changes the definition

1 ~~of a crime within the meaning of Section 6 of Article~~
2 ~~XIII B of the California Constitution.~~

3 ~~SEC. 3. The Legislature finds and declares that the~~
4 ~~provisions of this act further the purposes of the Political~~
5 ~~Reform Act of 1974 within the meaning of subdivision (a)~~
6 ~~of Section 81012 of the Government Code.~~

7 _____
8 CORRECTIONS

9 **Heading — Line 2.**

10 _____
11

O

